OCI No. 1654/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 30 April 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Insurgency in Southeast Asia

- 1. There has been no significant development in the Cambodian security situation during the past week.
- 2. There have been no significant changes in the situation in Thailand in the past week. The joint Thai-Malay security operation aimed at Communist terrorists in the border area, which began in March and will end on 1 May, has not been successful.

## 3. Laos

a. The situation in the Plaine des Jarres has been relatively quiet, but further clashes are likely since Kong Le continues preparations to retake the positions he has lost and the Communists are showing an increasingly intransigent attitude toward negotiations. There is also evidence of increasing Communist military activity in the south, where the Pathet Lao attacked a FAR position east of Savannakhet on 25 April.

Pathet Lao pressures are increasing on Kong Le's units in southern Laos and that North Vietnamese troop movements in the area may have occurred.

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b. There are a number of indications that the Communists, if they are prepared to negotiate at all, intend to follow a hard line backed by the threat of renewed military action. They are insisting that they will discuss a settlement in the Plaine de Jarres area only if a whole series of problems related to the coalition government is included. They are charging that additional Phoumi troops were brought in to reinforce Kong Le on 26 April, allegedly in US aircraft. Finally the Polish

State Dept. review completed

member of the ICC is adamantly opposed to the stationing of an ICC team with Kong Le's headquarters and is demanding that Air America be removed from Laos.

c. The unwillingness or inability of the USSR to bring influence to bear on North Vietnam and the Pathet Lao was further indicated in Khrushchev's talks with Undersecretary Harriman. Although Khrushchev professed that the USSR still supported the Geneva agreements, he suggested that a solution was up to the Laotians themselves and said that the USSR could not control the ICC.

## 4. South Vietnam

- a. The step-up in the tempo and scale of Viet Cong military activity continues. The latest incident was a two-battalion attack on 27 April against a government security unit in western Kontum Province near the border of Quang Ngai Province. The week ending 22 April saw the highest weekly total (128) of attacks since June 1962. This included a series of attacks on the strategic hamlet program in Quang Ngai, where the Viet Cong were subsequently routed with heavy losses; attacks—at least one in battalion strength—on government posts in the extreme southern province of An Xuyen, company—size attacks east of Saigon, and an increase in the number of acts of sabotage against rail lines.
- This Viet Cong activity suggests a continued capability for well-coordinated military actions in wide areas of the country and for effective concentration and dispersal of striking forces. The Viet Cong now appears to be directing its activities more directly at slowing down the progress of government pacification programs and preventing inroads into traditional Communist strongholds, and its effort may have been timed to undercut the psychological impact of Diem's recent "open arms" appeal for the surrender of Viet Cong followers. The Communists probably will not sustain this pace indefinitely. The past pattern indicates a fluctuation between periods of aggresiveness and periods of slack for retraining, regrouping, and replacing losses.

c. Government forces in Quang Ngai have demonstrated an ability to react quickly and effectively against attacking Viet Cong forces and to enlist considerable popular cooperation in areas where systematic political-military pacification is underway.